

***ALABAMA INSURANCE REGULATION***  
***CHAPTER 482-3-001***  
**APPENDIX**

**FINANCIAL STATEMENT FORM**

This appendix contains the form financial statement provided in paragraph (3) of Rule 482-3-001-.05.

**Author:** Commissioner of Insurance

**Statutory Authority:** Code of Alabama 1975, §§ 27-2-17, 27-17A-11

**History:** New December 1, 2008; Effective January 1, 2009

**STATE OF ALABAMA**

**DEPARTMENT OF INSURANCE  
201 MONROE STREET, P.O. BOX 303351  
MONTGOMERY, ALABAMA 36130**

**PRENEED CERTIFICATE OF AUTHORITY  
CONFIDENTIAL ANNUAL FINANCIAL STATEMENT**

**Type of Organization:**

\_\_\_\_\_ **An Individual**

\_\_\_\_\_ **Partnership**

\_\_\_\_\_ **C Corporation**

\_\_\_\_\_ **S Corporation**

\_\_\_\_\_ **LLC (a Limited Liability Company)**

\_\_\_\_\_ **LLP (a Limited Liability Partnership)**

\_\_\_\_\_ **Not for Profit Organization**

**Name of Preneed Entity**

**Address:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**COA Number**

**Phone #:**

**Fax #:**

**E Mail Address:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## INSTRUCTIONS

READ THE FOLLOWING CAREFULLY BEFORE COMPLETING THIS FORM. MAIL TO: ALABAMA DEPARTMENT OF INSURANCE, PRENEED DIVISION, P. O. BOX 303351, MONTGOMERY, ALABAMA 36130.

1. Preparation of the attached financial statement by a Certified Public Accountant is preferred, but not required. If prepared by a Certified Public Accountant, the proper report must be completed. Each report must be personally signed by the preparer together with indication of State of registration and certificate or license number. Firm signatures will not be accepted.
2. The Alabama Department of Insurance will accept only this form or a compiled, reviewed or audited financial statement prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). No other form of financial statement will be accepted. Each item, when applicable, must be set forth in full. Wherever explanations are requested, they must be given in detail. Please round amounts to the nearest dollar.
3. This form is to follow the statutory basis of accounting for preneed entities as prescribed by the State of Alabama Department of Insurance. The statutory basis prescribed by the State of Alabama Department of Insurance differs from measurements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) as noted in A. through C. below:
  - A. GAAP requires the consolidation of certain equity investments and of variable interest entities under FIN 46(R), entitled *Consolidation of Variable Interest Entities*. The Department requires that only the primary reporting entity's accounts and activities be reported on this form. Investment in trusts are to be marked-to-market as of the financial statement date. Closely-held investments should be recorded using the equity method.
  - B. Deferred revenue for preneed contracts incurred prior to May 1, 2002 (pre-law) is to be equal to the current cost of providing the preneed services and merchandise.
  - C. A noncurrent receivable is to be recorded for the face amount of life insurance policies used to fund preneed contracts, with the offset being a credit to deferred revenue.
4. The signatory statement on page 2 must be signed by the individual if the applicant is an individual, by the duly authorized officer if a corporation, managing member if a limited liability entity, or by a general partner if a partnership.
5. The attached financial statement is to be prepared for the certificate holder as of the entity's most recent fiscal year-end and is due annually on April 01. Prenneed applications will not be accepted if more than twelve (12) months have transpired since the date of the financial statement.
6. All preneed entities must have at least the required minimum equity required by Alabama Department of Insurance Prenneed Regulation Chapter 482-3-001.05:

<u>Total preneed deferred revenue</u>	<u>Minimum equity</u>
\$100,000 or less	\$10,000
\$100,001 - \$1,000,000	not less than 10% x total preneed deferred revenue
\$1,000,001 or greater	\$100,000

7. Notes are an integral part of this financial statement and should be attached. The Department of Insurance has provided sample notes to aid the preparer with some of the more common notes required. These sample disclosures are intended to serve as an aid and may include notes which do not apply to your Company or may not provide for your particular situation. Please add or delete notes as necessary for your Company. The Department requires certain disclosures it deems necessary to its understanding of the filing entity's financial position and operations. These notes are marked with an "\*" and must be included.

## SIGNATORY

Individual, Partnership, Corporation or Limited Liability Entity

The undersigned hereby declares that the following is a true statement of the financial condition, operations, and cash flows of the Individual, Partnership, Corporation, or Limited Liability Company herein first named as of the date herein first given and that this statement is for the express purpose of securing a preneed certificate of authority (either initial or renewal).

Dated this \_\_\_\_\_ day of \_\_\_\_\_

Name of Preneed Entity \_\_\_\_\_

By \_\_\_\_\_

Social Security Number or FEIN \_\_\_\_\_

Affix Corporate Seal

**NAME OF PRENEED ENTITY**  
**STATEMENT OF ASSETS, LIABILITIES AND NET WORTH - STATUTORY BASIS**  
**MONTH, DAY, YEAR**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents		\$	
Investments			
Receivables:			
Accounts receivable	\$		
Other receivables			
Less allowance for doubtful accounts			-
Inventories			
Prepaid expenses			
Deferred tax asset			
Other current assets:			
Total current assets			-

**PROPERTY AND EQUIPMENT**

Office furniture and equipment			
Automobiles and other vehicles			
Leasehold improvements			
Land and buildings			
Less accumulated depreciation			
Net property and equipment			-

**OTHER ASSETS**

Receivables			
Deferred tax asset			
Assets held in trust			
Long-term investments			
Goodwill			
Intangible assets			
Preneed receivables			
Total other assets			-

<b>TOTAL ASSETS</b>		\$	-
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See accountants' report and notes to financial statements.

**NAME OF PRENEED ENTITY**  
**STATEMENT OF ASSETS, LIABILITIES AND NET WORTH - STATUTORY BASIS**  
**MONTH, DAY, YEAR**

**LIABILITIES AND NET WORTH**

**CURRENT LIABILITIES**

Accounts payable		\$	
Notes payable			
Current maturities of long-term debt			
Commission payable			
Taxes payable:			
Payroll	\$		
Real property			
Federal and state			
Other			-
Deferred tax liability			
Other accrued expenses			
Total current liabilities			-

**OTHER LIABILITIES**

Noncurrent maturities of long-term debt			
Deferred tax liability			
Pre-law deferred revenue			
Post-law deferred revenue			
Total other liabilities			-

**TOTAL LIABILITIES**

**NET WORTH**

Individual or partnership capital			
Capital stock			
Additional paid-in capital			
Retained earnings			
Accumulated other comprehensive income			
Treasury stock at cost _____ shares			
Total net worth			-

**TOTAL LIABILITIES AND NET WORTH**

\$ -

See accountants' report and notes to financial statements.

**NAME OF PRENEED ENTITY**  
**STATEMENT OF INCOME AND EXPENSES - STATUTORY BASIS**  
**FOR THE YEAR ENDED MONTH, DAY, YEAR**

**INCOME**

Preneed merchandise and services fulfilled	\$ _____
At-need merchandise and services	_____
Interest income	_____
Other income	_____
<hr/>	_____
Total income	_____ -

**EXPENSES**

Cost of sales	_____
Operating expenses:	_____
Administrative fees - trusts	_____
Advertising	_____
Bank charges	_____
Commissions	_____
Contract labor	_____
Depreciation and amortization	_____
Dues and subscriptions	_____
Insurance	_____
Interest	_____
Meals and entertainment	_____
Miscellaneous	_____
Office supplies and expense	_____
Payroll taxes	_____
Professional fees	_____
Profit-sharing	_____
Rent	_____
Repairs and maintenance	_____
Salaries	_____
Supplies	_____
Taxes and licenses	_____
Telephone	_____
Travel	_____
Utilities	_____
<hr/>	_____
Total expenses	_____ -

**INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES** \_\_\_\_\_ -

**PROVISION FOR INCOME TAXES** \_\_\_\_\_

**NET INCOME (LOSS)** \$ \_\_\_\_\_ -

See accountants' report and notes to financial statements.

**NAME OF PRENEED ENTITY**  
**STATEMENT OF COMPREHENSIVE INCOME - STATUTORY BASIS**  
**FOR THE YEAR ENDED MONTH, DAY, YEAR**

**NET INCOME (LOSS)** \$ \_\_\_\_\_

**OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:**

Unrealized gains (losses) on securities:

Unrealized holding gains (losses) arising during period

Less reclassification adjustment for gains (losses)  
included in net income

\_\_\_\_\_

**OTHER COMPREHENSIVE INCOME (LOSS)**

\_\_\_\_\_ -

**COMPREHENSIVE INCOME (LOSS)**

\$ \_\_\_\_\_ -



**NAME OF PRENEED ENTITY**  
**STATEMENT OF CASH FLOWS - STATUTORY BASIS**  
**FOR THE YEAR ENDED MONTH, DAY, YEAR**

**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income (loss)	\$ -
Adjustments to reconcile net income (loss) to net cash provided (used) by operations:	
Depreciation	
Amortization	
(Gain) loss on sale of securities	
(Gain) loss on sale of property and equipment	
Deferred income taxes	
Changes in assets and liabilities:	
Accounts receivable	
Inventories	
Prepaid expenses and other assets	
Preneed activity	
Accounts payable	
Accrued expenses	
_____	
_____	
_____	
_____	
_____	

Net cash provided (used) by operating activities -

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from sale of securities	
Purchase of securities	
Proceeds from sale of property and equipment	
Purchase of property and equipment	
_____	
_____	
_____	
_____	
_____	

Net cash provided (used) by investing activities -

**NAME OF PRENEED ENTITY**  
**STATEMENT OF CASH FLOWS - STATUTORY BASIS**  
**FOR THE YEAR ENDED MONTH, DAY, YEAR**

**CASH FLOWS FROM FINANCING ACTIVITIES**

Borrowings on notes payable	_____
Repayment of notes payable	_____
Borrowings on long-term debt	_____
Repayment of long-term debt	_____
Distributions to stockholders	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Net cash provided (used) by financing activities	- _____
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<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-</b>
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<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	_____
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<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ -</b> =====
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**SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**

Cash paid during the year for:

Interest	\$ - =====
Income taxes	\$ - =====

**Please note: These reports are to be completed only by a certified public accountant (audit or compilation report) or a public accountant (compilation report only).**

#### **INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying statement of assets, liabilities, and net worth - statutory basis of XYZ Company as of [Date], and the related statements of income, comprehensive income and cash flows - statutory basis for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

These financial statements were prepared in conformity with the accounting practices prescribed or permitted by the State of Alabama Department of Insurance, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net worth of XYZ Company as of [Date], and the results of its operations and its cash flows for the year then ended, on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the management of XYZ Company and the State of Alabama Department of Insurance and is not intended to be and should not be used by anyone other than these specified parties.

Firm Name:

Signature (Firm Signatures Not Acceptable):

Certificate Number:

State of Certification:

Federal Identification Number:

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#### **ACCOUNTANTS' COMPILATION REPORT**

We have compiled the accompanying statement of assets, liabilities, and net worth - statutory basis of XYZ Company as of [Date], and the related statements of income, comprehensive income and cash flows - statutory basis for the year then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the State of Alabama Department of Insurance information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

This report is intended solely for the information and use of the management of XYZ Company and the State of Alabama Department of Insurance and is not intended to be and should not be used by anyone other than these specified parties.

Firm Name:

Signature (Firm Signatures Not Acceptable):

Certificate Number:

State of Certification:

Federal Identification Number:

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### AFFIDAVIT FOR INDIVIDUAL

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

\_\_\_\_\_, being duly sworn, deposes and says that the foregoing financial statements, taken from his books, are a true and accurate statement of his financial condition, results of operations, and cash flows as of the date thereof and the period then ended.

Applicant's signature \_\_\_\_\_  
Social security number \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
**Notary Public**

### AFFIDAVIT FOR PARTNERSHIP OR LIMITED LIABILITY COMPANY

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

\_\_\_\_\_, being duly sworn, deposes and says that he is a partner (member) of the firm of \_\_\_\_\_, and that the foregoing financial statements, taken from the books of said firm, are a true and accurate statement of the financial condition, results of operations and cash flows of said firm as of the date thereof and the period then ended.

Applicant's signature \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
**Notary Public**

### AFFIDAVIT FOR CORPORATION

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

\_\_\_\_\_, being duly sworn, deposes and says that he is an officer of \_\_\_\_\_, the corporation described in and which executed the foregoing financial statements; that he is familiar with the books of the said corporation showing its financial condition, results of operations, and cash flows and that the foregoing financial statements taken from the books of the said corporation, are a true and accurate statement of the financial condition, results of operations and cash flows of said corporation as of the date thereof and the period then ended.

Applicant's signature \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
**Notary Public**

The following sample disclosures are intended to serve as a practice aid and are not considered to be all inclusive. The sample disclosures may include notes that do not apply to the filing entity or provide information that is applicable to the entity's circumstances. Please add, delete, or otherwise change the notes as necessary to comply with the statutory basis prescribed by the State of Alabama Department of Insurance for the Individual or Company for which you are filing. The Department requires certain disclosures it deems necessary to its understanding of the filing entity's financial position and operations. These notes are marked with an "\*" and must be included.

**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Nature of Operations***

XYZ Funeral Home and Cemetery, Inc. (the Company) provides at-need funeral services and related products, as well as cemetery lot sales and pre-arranged funeral and cemetery contract sales in the Montgomery, Alabama area.

***Cash and Cash Equivalents***

For purposes of the statement of cash flows the Company considers all highly liquid debt instruments and certificates of deposit purchased with an original maturity of three months or less to be cash equivalents.

***Accounts Receivable***

The Company reports trade receivables at net realizable value. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables and, once these receivables are determined to be uncollectible, they are written off through a charge against the allowance or against earnings.

***Inventories***

Inventories consist of cemetery plots, mausoleum vaults and crypts and are valued at the lower of cost or market, using the first-in, first-out method.

***Property and Equipment***

Major additions of property and equipment are capitalized at cost. Maintenance and repairs are charged to expense as incurred. The cost and accumulated depreciation of property and equipment disposed of are removed from their respective accounts, and any related gain or loss is reflected in income. For financial reporting purposes, depreciation is provided using the straight-line and accelerated methods over the estimated useful lives of the assets.

***Goodwill***

The Company tests goodwill annually for impairment. Although the Company currently expects no impairment of goodwill as of Month, Day, Year, there can be no assurance that it will not be impaired in subsequent reporting periods.

**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Accounting***

The accompanying financial statements present financial results on the statutory basis of accounting as prescribed by the State of Alabama Department of Insurance, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). This basis differs from GAAP in the following material areas. GAAP requires the consolidation of certain variable interest entities under FIN 46(R), entitled *Consolidation of Variable Interest Entities*. However, the Department requires that only the filing entity's accounts and activities be reported on in the accompanying statements. Therefore, investments in trusts are marked-to-market as of the financial statement date and closely-held investments are recorded using the equity method. The Department also requires a noncurrent receivable to be recorded for the face amount of life insurance policies used to fund pre-need contracts, with the offset being a credit to deferred revenue. Further, the Department requires deferred revenue for preneed contracts incurred prior to May 1, 2002 (pre-law) to be equal to the current cost of providing preneed services and merchandise.

***Revenue Recognition***

The Company's operation is subject to the Code of Alabama 1975, Title 27, Chapter 17A, as enacted by the 2002 Legislature of Alabama under Act No. 2002-74 and cited as the "Alabama Preneed Funeral and Cemetery Act." The Company recognizes revenue from two main sources: at-need and preneed sales. At-need sales are recorded as a completed contract; therefore, income and related expenses are recognized currently. Preneed sales are recorded as deferred revenue when the sales contract is accepted. Current Alabama law requires that any preneed arrangement made on or after May 1, 2002, be refundable to or transferable to the consumer; therefore, management believes that the proper method of accounting is as deferred revenue. Following this method, revenue would not be recognized until the contracted goods and services are used. Additionally, the cost of goods sold would be recognized at that time. The current State law requires a facility licensed to sell preneed arrangements to fund State approved trusts within thirty (30) days of receiving the final payment on the preneed contract. The funding rate is generally between 60% and 75% of the contract price.

***Advertising***

Advertising costs are expensed as incurred. Advertising expense was \$X,XXX for the year ended Month, Day, Year.

**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Income Taxes***

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The Company's differences relate to marketable equity securities and to depreciable assets and the use of different depreciation methods for financial statement and income tax purposes. The resulting deferred tax asset or liability represents the future tax return consequences of these differences.

***Use of Estimates in the Preparation of Financial Statements***

In preparing financial statements in conformity with the statutory basis of accounting as prescribed by the State of Alabama Department of Insurance, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.



**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**2. CASH AND CASH EQUIVALENTS**

The Company maintains its cash in bank deposit accounts which, at times, may exceed Federal Deposit Insurance Corporation limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk in regard to

**3. INVESTMENTS**

Equity securities have been classified in the balance sheet according to management's intent. The carrying amount of securities and approximate fair values as of Month, Day, Year are as follows:

Cost	\$
Gross unrealized gains	
Gross unrealized losses	
	<hr/>
Fair value	<u>\$</u> -

Proceeds and gross realized gains on sales of available-for-sale securities using the specific identification method were \$XX,XXX and \$XX,XXX, respectively, for the year ended Month, Day, Year.

**4. LONG-TERM DEBT**

Long-term debt as of Month, Day, Year consisted of the following:

Installment notes payable to banks, bearing interest at rates ranging from X.X% to X.X%, payable in monthly installments totaling \$X,XXX including interest, maturing from January XXXX to September XXXX, secured by certain equipment	\$
Unsecured note payable to related party, bearing interest at a rate of 5%, maturing January XXXX	<hr/>
Total long-term debt	
Current maturities of long-term debt	<hr/>
Noncurrent maturities of long-term debt	<u>\$</u>

**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**5. INCOME TAXES**

The provision for income taxes consisted of the following for the year ended Month, Day, Year:

Federal:	
Current	\$
Deferred	
State:	
Current	
Deferred	
Total provision for income taxes	\$

The provision for income taxes for the year ended Month Day, Year is included in the financial statements as follows:

Statement of income and expenses- continuing operations	\$
Statement of comprehensive income - unrealized holding gains on securities	
Total provision for income taxes	\$

**6. EQUITY**

Capital stock consisted of XXX shares of common stock authorized, issued and outstanding.

Changes in Company retained earnings accounts during XXXX consisted of the following:

Beginning balance - retained earnings	\$
Net income (loss)	
Distributions to owners	
Ending balance - retained earnings	\$

Changes in Company accumulated other comprehensive income during XXXX consisted of the following:

Beginning balance	\$
Other comprehensive income	
Ending balance	\$

**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**7. PRENEED RECEIVABLES \***

The amount of preneed receivables to be shown in the statement of assets, liabilities and net worth - statutory basis depends upon the method of funding. For those entities that fund using a letter of credit or a surety bond, the amount of preneed receivables is the sum of the future preneed payments to be made by the preneed purchaser at the date of the financial statement. For those entities that fund using a trust, the amount of the preneed receivables is the sum of the future preneed payments to be made by the preneed purchaser plus the amount in trust on the date of the financial statement (the amount in the trust may be different than the amount required by the preneed law to be deposited into trust because of any gains or losses on the trust). For those entities that fund using life insurance contracts, the amount of preneed receivables is the face amount of the life insurance contract purchased to fund the preneed services and merchandise. For those preneed entities that utilize more than one of the above methods of funding, each of the above procedures must be followed for each method of funding.

Preneed receivables as of Month, Day, Year consisted of the following:

Pre-law:

Funded by letter of credit  
Funded by surety bond  
Funded by trust  
Funded by life insurance  
Not funded

\$

Pre-law preneed receivables

-

Post-law

Funded by letter of credit - ABC Bank  
Funded by letter of credit - XYZ Bank  
Funded by letter of credit - 123 Bank  
Funded by surety bond - ABC Insurance Co.  
Funded by surety bond - XYZ Insurance Co.  
Funded by surety bond - 123 Insurance Co.  
Funded by trust - ABC Bank  
Funded by trust - XYZ Bank  
Funded by trust - 123 Bank  
Funded by life insurance - ABC Insurance Co.  
Funded by life insurance - XYZ Insurance Co.  
Funded by life insurance - 123 Insurance Co.

Post-law preneed receivables

-

Total preneed receivables

\$

-

**NAME OF PRENEED ENTITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MONTH, DAY, YEAR**

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**8. DEFERRED REVENUE\***

Regardless of the method of funding, the amount of preneed deferred revenue to be shown in the financial statements is: (1) for preneed contracts incurred prior to May 1, 2002, the current cost of providing preneed services and merchandise; and (2) for preneed contracts incurred subsequent to April 30, 2002, the retail value of the preneed services and merchandise.

Pre-law:

Funded by letter of credit	\$
Funded by surety bond	
Funded by trust	
Funded by life insurance	
Not funded	<hr/>
Pre-law deferred revenue	<hr/> - <hr/>

Post-law

Funded by letter of credit	
Funded by surety bond	
Funded by trust	
Funded by life insurance	<hr/>
Post-law deferred revenue	<hr/> - <hr/>
Total deferred revenue	<hr/> \$ - <hr/>